

**MALAYSIAN SUSTAINABLE PALM OIL
EXTENSION OF SCOPE ASSESSMENT
Public Summary Report**

Seong Thye Plantations Sdn Bhd
Client company Address: Suite 2B-3A-2, Block 2B, Level 3A, Plaza Sentral, Jalan Stesen Sentral 5, 50470 KL Sentral, Kuala Lumpur.
Certification Unit: Ladang Rompin, Ladang Padang and Ladang Viva
Location of Certification Unit: Ladang Viva: Lot 2276, KM15 Jalan Jemaluang, Mersing

Report prepared by:

Valence Shem (Lead Auditor)

Report Number: 3110890**Assessment Conducted by:**

BSI Services Malaysia Sdn Bhd
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Section 1: Executive Summary

1.1 Organizational Information and Contact Person			
MPOB License	Ladang Viva: 1) 604220002000 (Viva – Splendid Sdn Bhd) 2) 554065101000 (Maxi – Universal Sdn Bhd)		
Company Name	Seong Thye Plantations Sdn Bhd		
Address	Suite 2B-3A-2, Block 2B, Level 3A, Plaza Sentral, Jalan Stesen Sentral 5, 50470 KL Sentral, Kuala Lumpur.		
Group name if applicable:	N/A		
Subsidiary of (if applicable)	N/A		
Contact Person Name	Ng Yeen Chern		
Website	-	E-mail	sinthyekl@yahoo.com
Telephone	03-2261 4633	Facsimile	03-2261 4733

1.2 Certification Information			
Certificate Number	MSPO 712227		
Issue Date	26/6/2019	Expiry date	25/6/2024
Scope of Certification	Production of Sustainable Oil Palm Fruits		
Stage 1 Date	8-10/5/2019		
Stage 2 / Initial Assessment Visit Date (IAV)	28-31/5/2019		
Extension of Scope	12-13/12/2019		
Continuous Assessment Visit Date (CAV) 1	N/A		
Continuous Assessment Visit Date (CAV) 2	N/A		
Continuous Assessment Visit Date (CAV) 3	N/A		
Continuous Assessment Visit Date (CAV) 4	N/A		
Other Certifications			
Certificate Number	Standard(s)	Certificate Issued by	Expiry Date
Nil			

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1.3 Location of Certification Unit			
Name of the Certification Unit (Palm Oil Mill/ Estate/ Smallholder/ Independent Smallholder)	Site Address	GPS Reference of the site office	
		Latitude	Longitude
Ladang Viva	Lot 2276, KM15 Jalan Jemaluang, Mersing.	2° 19' 25.25" N	103° 49' 47.22" E

1.4 Plantings & Cycle					
Estate	Age (Years) - ha				
	0 - 3	4 - 10	11 - 20	21 - 25	26 - 30
Ladang Viva	80.06				
Total	80.06				

1.5 Certified FFB Production (Actual) and Projected (tonnage)			
Producer Group	Estimated (Jul 2018-Jun 2019)	Actual (Jul 2018-Jun 2019)	Forecast (Jul 2019-Jun 2020)
Ladang Viva	NA	NA	440
Total	NA	NA	440

1.6 Certified CPO / PK Tonnage			
	Estimated (Jul 2018-Jun 2019)	Actual (Jul 2018-Jun 2019)	Forecast (Jul 2019-Jun 2020)
	FFB	FFB	FFB
Mill Capacity:	NA	NA	440
SCC Model:	CPO (OER: %)	CPO (OER: %)	CPO (OER: %)
	NA	NA	NA
	PK (KER: %)	PK (KER: %)	PK (KER: %)
	NA	NA	NA

1.7 Certified Area					
Estate	Total Planted (Mature + Immature) (ha)	HCV (ha)	Infrastructure & Other (ha)	Total Area (ha)	% of Planted
Ladang Viva	80.06	0	0.4	80.46	99.50

TOTAL	80.06	0	0.4	80.46	99.50
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1.8 Details of Certification Assessment Scope and Certification Recommendation:

BSI Services Malaysia Sdn Bhd has conducted the Extension of Scope of Seong Thye Plantations Sdn Bhd located at Mersing, Johor, Malaysia comprising of one estate namely Ladang Viva and infrastructures. This is an additional estate to the existing certified group of estates consisting Ladang Rompin and Ladang Padang. The type of certification is multi-sites.

The onsite assessment was conducted to assess the compliance of the certification unit against the MS 2530-3:2013 Malaysian Sustainable Palm Oil (MSPO) Part 3: General principles for Plantations and Organized Smallholders.

The onsite assessment was conducted on 12-13/12/2019.

Based on the assessment result, Seong Thye Plantations Sdn Bhd's Ladang Viva complies with the MS 2530-3:2013 Malaysian Sustainable Palm Oil (MSPO) Part 3: General principles for Plantations and Organized Smallholders and recommended for extension of scope to be approved.

Section 2: Assessment Process

Certification Body:

BSI Services Malaysia Sdn Bhd
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BSI is a leading global provider of management systems assessment and certification, with more than 60,000 certified locations and clients in over 100 countries. BSI Standards is the UK's National Standards Body. BSI provides independent, third-party certification of management systems.

Assessment Methodology, Programme, Site Visits

This on-site assessment was conducted from 12-13/12/2019. The audit programme is included as Appendix A. The approach to the audit was to treat the Ladang Viva to be included in the existing certificate held by Seong Thye Plantations Sdn Bhd. This includes consideration of topography, palm age, proximity to areas with HBVs, declared conservation areas and local communities.

The methodology for collection of objective evidence included physical site inspections, observation of tasks and processes, interviews of staff, workers and external stakeholders, review of documentation and monitoring data. MS 2530-3:2013 was used to guide the collection of information to assess compliance. The comments made by external stakeholders were also taken into account in the assessment.

The estates or smallholders sample were determined based on formula $S = r\sqrt{n}$ where n is the number of estates while when applicable, the smallholders sample were determined following the MSP0 Certification Requirement. The sampling of smallholders were based on the formula $(r\sqrt{n})$; where r is the risk factor (may defers 1, 1.5 and 2 depending on risk), where n is total number of group members. The sampled smallholder listed in Appendix C.

Meetings were held with stakeholders to seek their views on the performance of the company with respect to the MSP0 requirements and aspects where they considered that improvements could be made. At the start of each meeting, the interviewer explained the purpose of the audit followed by an evaluation of the relationship between the stakeholder and the company before discussions proceeded. The interviewer recorded comments made by stakeholders and these have been incorporated into the assessment findings.

Structured worker interviews and staff were held in private at the workplace in the estates. Fieldworkers were interviewed informally in small groups in the field. Company officials were not present at any of the internal or external stakeholder interviews. A list of Stakeholders contacted is included as Appendix B.

The assessment findings for the initial assessment are detailed in Section 4.2.

This report is structured to provide a summary of assessment finding as attached in the Section 3. The assessment was based on samples and therefore nonconformities may exist that have not been identified.

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This report was externally reviewed by MSPO approved Peer Reviewers prior to certification decision by BSI.

The following table would be used to identify the locations to be audited each year in the 5 year cycle

1. Assessment Program						
Name (Mill / Plantation / Group smallholders)	Year 1 (Certification)	Year 2 (Extension of Scope)	Year 2 (ASA 1)	Year 3 (ASA 2)	Year 4 (ASA 3)	Year 5 (ASA 4)
Ladang Rompin Estate	✓		✓		✓	✓
Ladang Padang Estate	✓		✓	✓		✓
Ladang Viva Estate		✓		✓	✓	

Tentative Date of Next Visit: May 25, 2020 - May 28, 2020

Total No. of Mandays: 8

BSI Assessment Team:

Valence Shem - Lead Assessor

He holds Bachelor Degree in Industrial Technology, graduated from University of Science Malaysia in 1998 and has 9 years working experience in oil palm plantation industry. He has been in the management system auditing line since 2009 for various standards such as ISO 140001, RSPO P&C, RSPO SCCS and SMETA. He completed the ISO 14001 Lead Auditor Course in 2008, ISO 9001 Lead Auditor Course in 2013, Endorsed RSPO P&C Lead Auditor Course in 2011, Endorsed RSPO SCCS Lead Assessor Course in 2012 and MSPO Awareness Training in 2014. He had been involved in RSPO auditing since 2009 in various companies in Malaysia. During this assessment, he assessed on the aspects of legal, stakeholders issues, workers issues, social issues and traceability. Able to communicate in Bahasa Malaysia and English.

Accompanying Persons: N/A

Section 3: Assessment Findings

3.1 Details of audit results

This assessment has been assessed using the following MSPO normative requirements. The assessment details are provided in Appendix A.

- MSPO MS 2530-2:2013 – General Principles for Independent Smallholders
- MSPO MS 2530-3:2013 – General Principles for Oil Palm Plantations and Organized Smallholders
- MSPO MS 2530-4:2013 – General Principles for Palm Oil Mills

3.2 Details of Nonconformities and Opportunity for improvement

During the Certification Assessment there was no nonconformity and only one OFI raised as a result of the assessment.

Finding Reference	1861415-201912-I1	Certificate Reference	MSPO 712227
Certificate Standard	MS 2530:2013 Part-3	Clause	4.4.5.7
Category	Opportunity for Improvement		
Area/Process:	As per public summary report		
Details	The management can further improve the time recording system that makes working hours and overtime transparent for both employees and employer.		

Noteworthy Positive Comments

1	Good relationship being maintained with surrounding communities.
2	Good housekeeping at the facility and workers housing.
3	Good cooperation from the management team in facilitation the assessment.

3.3 Status of Nonconformities Previously Identified and OFI

Not applicable as this is an extension of scope assessment.

3.4 Issues Raised by Stakeholders

IS #	Description
	<p>Issues In general, all the stakeholders consulted have no issues with Seong Thye’s Ladang Viva. Good relationships were well maintained by both parties.</p>
	<p>Management Responses None</p>
	<p>Audit Team Findings None</p>

3.5 Summary of the Nonconformities and Status

CAR Ref.	CLASS	ISSUED	STATUS
NA as this is an extension of scope assessment.			

3.6 Summary of the findings by Principles and Criteria

MS 2530-3:2013 Malaysian Sustainable Palm Oil (MSPO) Part 3: General principles for Plantations and Organized Smallholders

Criterion / Indicator		Assessment Findings	Compliance
4.1 Principle 1: Management commitment & responsibility			
Criterion 4.1.1 – Malaysian Sustainable Palm Oil (MSPO) Policy			
4.1.1.1	A policy for the implementation of MSPO shall be established. - Major compliance -	The sustainability policy for Seong Thye Plantations Sdn Bhd is available and published in office, clinic and laboratory. The policy was signed by Mr Goh Wei Lei, Executive Chairman dated 02.01.2019.	Yes
4.1.1.2	The policy shall also emphasize commitment to continual improvement. - Major compliance -	The policy has emphasize to continuously review and improve operations with respect to social, environmental and economic sustainability, guided by the principles of MSPO and best practices referenced by our industry.	Yes
Criterion 4.1.2 – Internal Audit			
4.1.2.1	Internal audit shall be planned and conducted regularly to determine the strong and weak points and potential area for further improvement. - Major compliance -	The internal audit has been planned annually as per MSPO Internal Audit Procedure MSPO-P1-C2, revisions 1.01, STM Sdn Bhd dated 30.08.2018. The audit for Ladang Viva was conducted as planned i.e. on 26/11/2019 (all principles) and 13/11/2019 (Safety & Health).	Yes
4.1.2.2	The internal audit procedures and audit results shall be documented and evaluated, followed by the identification of strengths and root causes of nonconformities, in order to	MSPO Internal Audit Procedure MSPO-P1-C2, revisions 1.01, STM Sdn Bhd dated 30.08.2018 was available.	Yes

Criterion / Indicator		Assessment Findings	Compliance
	implement the necessary corrective action. - Major compliance -		
4.1.2.3	Report shall be made available to the management for their review. - Major compliance -	Internal audit reports were available during the audit as below: 1. Viva Estate, dated 26/11/2019 (all principles) conducted by 1 auditor (Mr. Lee Khen Siang, based at KL HQ) and 13/11/2019 (Safety & Health) by Mr. Baldab Singh.	Yes
Criterion 4.1.3 – Management Review			
4.1.3.1	The management shall periodically review the continuous suitability, adequacy and effectiveness of the requirements for effective implementation of MSPO and decide on any changes, improvement and modification. - Major compliance -	The MSPO Procedure for Management Review is available for initial release with procedure explanation from preparation of Management Review Meeting, submission of Management Review Agenda until end. Management review is planned annually. The management review was conducted on 4/12/2019, attended by 6 participants. Among the agenda discussed were: - Review items from previous meeting - Review the suitability of the policies - Results of internal audit - Process performance and product conformity - Customer feedback - Summary and status of non-conformity - Changes with regards to MSPO - Review of resources issues - Other business	Yes

Criterion / Indicator		Assessment Findings	Compliance
Criterion 4.1.4 – Continual Improvement			
4.1.4.1	The action plan for continual improvement shall be based on consideration of the main social and environmental impact and opportunities of the company. - Major compliance -	Based on the social and environmental impact assessment, Ladang Viva has established its continual improvement plan which in general includes the reduction of wastes and pollutants.	Yes
4.1.4.2	The company shall establish a system to improve practices in line with new information and techniques or new industry standards and technology (where applicable) that are available and feasible for adoption. - Major compliance -	New information about techniques and technologies was mainly obtained through suppliers.	Yes
4.1.4.3	An action plan to provide the necessary resources including training, to implement the new techniques or new industry standard or technology (where applicable) shall be established. - Major compliance -	Training plan for 2019 was established in order to improve the knowledge of the workers in various aspects covering best practice, safety and environment.	Yes
4.2 Principle 2: Transparency			
Criterion 4.2.1 – Transparency of information and documents relevant to MSPO requirements			
4.2.1.1	The management shall communicate the information requested by the relevant stakeholders in the appropriate languages and forms, except those limited by commercial confidentiality or	The management has communicated the information to the stakeholder through the stakeholder meeting on 18/9/2019. The	Yes

Criterion / Indicator		Assessment Findings	Compliance
	disclosure that could result in negative environmental or social outcomes. - Major compliance -	stakeholders attended are from various background, which are surrounding neighbours, Perhilitan and FFB dealer.	
4.2.1.2	Management documents shall be publicly available, except where this is prevented by commercial confidentiality or where disclosure of information would result in negative environmental or social outcomes. - Major compliance -	Management has made the documents public as per List of Public Documents available for MSPO Stakeholder Inspection, Doc No: MSPO-P2-C1 Version Control 1 dated 01 January 2019. Among the public document shared are: <ol style="list-style-type: none"> 1. All MSPO policies and licenses 2. Safety and health plan 3. Plans and impact assessment relating to social impact 	Yes
Criterion 4.2.2 – Transparent method of communication and consultation			
4.2.2.1	Procedures shall be established for consultation and communication with the relevant stakeholders. - Major compliance -	The Stakeholder Communication & Consultation Procedure is available and refer to the document: REF No: MSPO-03, Revision 0 dated 01.07.2018. The SOP is covering from inform, consult, engage the stakeholders and resolution. The information could be disseminated through: <ol style="list-style-type: none"> 1. Fact sheet 2. Verbal communication e.g.: phone call, door knocks 3. Letter 4. Email 	Yes

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Criterion / Indicator		Assessment Findings	Compliance
		5. Brochures	
4.2.2.2	A management official should be nominated to be responsible for issues related to Indicator 1 at each operating unit. - Minor compliance -	The appointed person in charge for internal and external (transparency) MSPO committee officer, Raja Mohd Saifuldin Raja Mamat [ref.: letter dated 1/1/2019 from the Estate Manager (Mr. Siew)].	Yes
4.2.2.3	List of stakeholders, records of all consultation and communication and records of action taken in response to input from stakeholders should be properly maintained. - Major compliance -	Stakeholder list for Ladang Viva is available from various background, which are MPOB, contractors & suppliers, neighbouring estates, surrounding communities and government agencies.	Yes
Criterion 4.2.3 – Traceability			
4.2.3.1	The management shall establish, implement and maintain a standard operating procedure to comply with the requirements for traceability of the relevant product(s). - Major compliance -	Traceability is addressed under “Abbreviated Traceability Supplement for Maxi Viva (M-V)”, dated 1/10/2019.	Yes
4.2.3.2	The management shall conduct regular inspections on compliance with the established traceability system. - Major compliance -	Regular inspection is done through internal audit.	Yes
4.2.3.3	The management should identify and assign suitable employees to implement and maintain the traceability system. - Minor compliance -	The traceability MSPO Committee Officer is Ms Kanageswary on 01.01.2019. Among the roles and responsibility are: 1. Keep abreast of changes to relevant MSPO requirement	Yes

Criterion / Indicator		Assessment Findings	Compliance
		2. Review relevant MSPO requirement. 3. Review compliance in fact and in documentation	
4.2.3.4	Records of sales, delivery or transportation of FFB shall be maintained. - Major compliance -	Since the palms is not declared matured at the point of this assessment, thus there is no records of sales, delivery or transportation of FFB yet. The palms will be declared as matured in January 2020.	Yes
4.3 Principle 3: Compliance to legal requirements			
Criterion 4.3.1 – Regulatory requirements			
4.3.1.1	All operations are in compliance with the applicable local, state, national and ratified international laws and regulations. - Major compliance -	A mechanism to ensure compliance to legal and other requirement has been documented in Law enforcement File & Compliance to Legal Requirements – Updates on Legal Matters Doc: MSPO-P3-C1. Sample of licenses or permit viewed were: i) MPOB license: ii) Certificate of Incorporation of Private Company from SSM, dated 6/6/1995 iii) Kelulusan Pengambilan Pekerja Asing from MHA, validity 18/4/2019 to 17/10/2020	Yes
4.3.1.2	The management shall list all laws applicable to their operations in a legal requirements register. - Major compliance -	The management has a list of all laws applicable to their operations in a legal requirement register. It was addressed in "Register of Laws and List of Relevant Acts, Laws and Regulations" [MSPO-P3-C1, ver. 1, dated 1/1/2019]. It contained information on Acts and was available in their website.	Yes

Criterion / Indicator		Assessment Findings	Compliance
4.3.1.3	The legal requirements register shall be updated as and when there are any new amendments or any new regulations coming into force. - Major compliance -	The legal requirements register had been updated as and when there are any new amendments or any new regulations coming into force.	Yes
4.3.1.4	The management should assign a person responsible to monitor compliance and to track and update the changes in regulatory requirements. - Minor compliance -	Seong Thye Plantations Sdn Bhd had established a SOP to update legal register- "Updates on Legal Matters" procedure [MSPO-P3-C1, ver. 1, dated 1/1/2019]. The person responsible to track and update changes was (Mr. Chua Kok Siang, Chief Administrator) from the Head Quarters at KL. Methods used were: <ul style="list-style-type: none">- Circulars from MAPA- Seminars/training courses participation- Other public sources – government, stakeholders, etc. PIC to monitor status of compliance – Mr Lim Kim Tong (Legal Officer – based in Rompin Estate). The legal register was used as the document to monitor on compliance on legal requirements.	Yes
Criterion 4.3.2 – Lands use rights			
4.3.2.1	The management shall ensure that their oil palm cultivation activities do not diminish the land use rights of other users. - Major compliance -	There are valid land titles belonged to Viva-Splendid Sdn Bhd and Maxi-Universal Sdn Bhd for Ladang Viva.	Yes

Criterion / Indicator		Assessment Findings	Compliance
4.3.2.2	The management shall provide documents showing legal ownership or lease, history of land tenure and the actual use of the land. - Major compliance -	The management had photocopies of documents showing legal ownership or lease and the actual use of the land. The original documents were kept in the Headquarters.	Yes
4.3.2.3	Legal perimeter boundary markers should be clearly demarcated and visibly maintained on the ground where practicable. - Major compliance -	Based on the site visit at boundary between Ladang Viva and forest reserve & ILP, the methods of boundary demarcation were using concrete pegs, boundary trenching and field roads.	Yes
4.3.2.4	Where there are, or have been, disputes, documented proof of legal acquisition of land title and fair compensation that have been or are being made to previous owners and occupants; shall be made available and that these should have been accepted with free prior informed consent (FPIC). - Minor compliance -	So far, there is no dispute with the stakeholder in regards of land usage.	Yes
Criterion 4.3.3 – Customary rights			
4.3.3.1	Where lands are encumbered by customary rights, the company shall demonstrate that these rights are understood and are not being threatened or reduced. - Major compliance -	There is no customary rights land in Ladang Viva.	NA
4.3.3.2	Maps of an appropriate scale showing extent of recognized customary rights land, if any, should be made available. - Minor compliance -	There is no customary rights land in Ladang Viva.	NA

Criterion / Indicator		Assessment Findings	Compliance
4.3.3.3	Negotiation and FPIC shall be recorded and copies of negotiated agreements should be made available. - Major compliance -	There is no customary rights land in Ladang Viva.	NA
4.4 Principle 4: Social responsibility, health, safety and employment condition			
Criterion 4.4.1: Social Impact Assessment (SIA)			
4.4.1.1	Social impact should be identified and plans are implemented to mitigate the negative impacts and promote the positive ones. - Minor compliance –	<p>Social Impact Assessment has been conducted on 18/9/2019 in tandem with Stakeholders Meeting. It was participated by neighbouring estates (Emas Cermat & Chi Fook Tong), Perhilitan and ILP Mersing. According to their procedure [Social Impact Procedure, doc. No.: MSPO-09, rev. 0, dated 1/7/2019], the method of assessment is by conducting a stakeholders meeting and utilization of SIA Questionnaires. Thereafter, the impacts identified were registered in the "Stakeholder Concerns and Resolution Matrix" for establishment of resolution/action. Based on the analysis, there was no negative impacts identified.</p> <p>Some of the invited stakeholders such as JTK Kluang, Pejabat Hutan Mersing, MPOB Mersing, FFB dealer (Boon Hong Trading), Balai Polis Mersing and JKPP JB were invited for the meeting but did not turn up..</p>	Yes
Criterion 4.4.2: Complaints and grievances			
4.4.2.1	A system for dealing with complaints and grievances shall be established and documented. - Major compliance -	There is procedure for Grievance & Complaints Handling Procedure Version control 1.00, revisions: 1.01 dated 26 August 2018 revised 08 May 2019 available and implemented.	Yes

Criterion / Indicator		Assessment Findings	Compliance
4.4.2.2	The system shall be able to resolve disputes in an effective, timely and appropriate manner that is accepted by all parties. - Major compliance -	According to the procedure as in 4.4.2.1, the timeframe to close the complaint is based on criticality table and will settled not more than 14 days. There has been no complaints lodged so far. Ladang Viva has provided a box at the entrance post for public to fill in and forward the complaint form if any.	Yes
4.4.2.3	A complaint form should be made available at the premises, where employees and affected stakeholders can make a complaint. - Minor compliance -	Grievances/complaint form available at the entrance gate and at the muster ground.	Yes
4.4.2.4	Employees and the surrounding communities should be made aware that complaints or suggestions can be made any time. - Minor compliance -	The surrounding communities and stakeholders were inform about the mechanism of complaint handling during the stakeholders meeting e.g. on 18/9/2019.	Yes
4.4.2.5	Complaints and resolutions for the last 24 months shall be documented and made available to affected stakeholders upon request. - Major compliance -	There has been no complaints lodged so far but the management is aware of this requirement.	Yes
Criterion 4.4.3: Commitment to contribute to local sustainable development			
4.4.3.1	Growers should contribute to local development in consultation with the local communities. - Minor compliance -	Contribution for local development is considered upon request. So far, there has been no request.	Yes

Criterion / Indicator	Assessment Findings	Compliance	
Criterion 4.4.4: Employees safety and health			
4.4.4.1	An occupational safety and health policy and plan shall be documented, effectively communicated and implemented. - Major compliance -	Seong Thye Plantations Sdn Bhd had established and documented an occupational safety and health policy. The policy, in both English and Bahasa Malaysia, dated 02.01.2019 was signed by the Executive Chairman (Mr. Goh Wei Lei). In the policy it was stated "This safety and health policy is a commitment and shall guide all workers, contractors, third parties and stakeholders within the organization towards practices which shall achieve a safe and healthy work culture". The policy was displayed at notice boards at muster ground and communicated to workers via briefings during muster and to stakeholders via stakeholder meetings.	Yes
4.4.4.2	The occupational safety and health plan shall cover the following: a) A safety and health policy, which is communicated and implemented. b) The risks of all operations shall be assessed and documented. c) An awareness and training programme which includes the following requirements for employees exposed to pesticides: i. all employees involved shall be adequately trained on safe working practices ii. all precautions attached to products shall be properly observed and applied	a) The policy was displayed at notice boards at muster ground and communicated to workers via briefings during muster and to stakeholders via stakeholder meetings. b) The risks of all operations had been assessed and documented. The HIRARC was reviewed on 15/1/2019. It covered activities like manuring, chemical application, store, workshop, planting OP, AA bag mulching, manual buffalo loading, travelling to & from work, harvesting, general work, motorcycle riding, nursery, grass-cutting, etc. CHRA was conducted on 19/11/2019 by a registered consultant [#JKKP HIE 127/171-2(20)]. c) Awareness and training programme which included safe working practices have been given to the workers which was based on CHRA, SDS of the Chemicals used and SOPs. Records of the trainings were available for verification e.g.:	Yes

Criterion / Indicator	Assessment Findings	Compliance
<p>d) The management shall provide the appropriate PPE at the place of work to cover all potentially hazardous operations as identified in the risk assessment and control such as Hazard Identification, Risk Assessment and Risk Control (HIRARC).</p> <p>e) The management shall establish Standard Operating Procedure for handling of chemicals to ensure proper and safe handling and storage in accordance to Occupational Safety Health (Classification Packaging and Labeling) Regulation 1997 and Occupational Safety Health (Use and Standard of Exposure of Chemical Hazardous to Health) Regulation 2000.</p> <p>f) The management shall appoint responsible person(s) for workers' safety and health. The appointed person(s) of trust must have knowledge and access to latest national regulations and collective agreements.</p> <p>g) The management shall conduct regular two-way communication with their employees where issues affecting their business such as employee's health, safety and welfare are discussed openly. Records from such meeting are kept and the concerns of the employees and any remedial actions taken are recorded.</p> <p>h) Accident and emergency procedures shall exist and instructions shall be clearly understood by all employees.</p> <p>i) Employees trained in First Aid should be present at all field operations. A First Aid Kit equipped with approved contents should be available at each worksite.</p> <p>j) Records shall be kept of all accidents and be reviewed periodically at quarterly intervals.</p>	<ul style="list-style-type: none"> - workers induction dated 13/11/2019 - SOP – tatacara kerja selamat penggunaan PPE, kerja meracun, pemotong buah & loading buah, membaja dated 6/11/2019 - SDS training dated 7/11/2019 - Emergency response procedure dated 12/11/2019 - HIRARC training dated 11/11/2019 <p>d) Records showed that the management of Ladang Viva had provided the appropriate PPE at the place of work to cover all potentially hazardous operations as identified in the risk assessment and control, Hazard Identification, Risk Assessment and Risk Control (HIRARC) and CHRA. PPE issue books were verified. During the audit it was observed that workers were wearing helmet, cotton gloves and Wellington boot while doing the palm pruning.</p> <p>e) Seong Thye Plantations had established Standard Operating Procedure for handling of chemicals to ensure proper and safe handling and storage in accordance to Occupational Safety Health (Classification Packaging and Labelling) Regulation 1997 and Occupational Safety Health (Use and Standard of Exposure of Chemical Hazardous to Health) Regulation 2000. There were addressed in Sin Thye Management Sdn Bhd's, "Manual Keselamatan & Kesehatan Pekerja", dated 1/1/2019 which was established with reference to HIRARC, CHRA & SDS. The chapters were:</p> <ul style="list-style-type: none"> • 5 – Prosedur Kerja Selamat Pengait/Pemotongan Buah Tandan Segar (BTS) • 6 – Prosedur Kerja Selamat Penggunaan Bahan Kimia/Racun 	

Criterion / Indicator	Assessment Findings	Compliance
<p>- Major compliance -</p>	<ul style="list-style-type: none"> • 8 - Prosedur Kerja Selamat Membaja • 13 – prosedur Selamat Kebakaran <p>Ladang Viva does not keep chemicals in the premise. The contractor will do the chemical premixing at his own premise outside the estate and bring the chemicals over to be applied. According to the procedure,</p> <p>f) The management of Seong Thye Plantations Sdn Bhd had appointed responsible person (Mr. Baldeb) as a Safety Officer for Seong Thye Group, who had knowledge and access to latest national regulations and collective agreements, for workers' safety and health.</p> <p>g) Safety Committee is not compulsory for Ladang Viva as as it has only 4 workers. Nonetheless, the Group Safety Officer is in-charged in handling safety issues. In the replacement of the safety committee, a representative from Ladang Viva (Mr. Chow) who is not a member of Seong Thye Safety Committee, will nevertheless be required to participate in the Safety Committee meeting held at Rompin Estate.</p> <p>h) Procedure to respond to emergency situation had been communicated to all internal and external stakeholders. This included emergency contact number, firefighting equipment at line sites, staff quarters, office, stores, etc. Interviewed workers confirmed that they were aware of emergency procedures.</p> <p>i) The contractor (Mr. Lee Beng Loon) was appointed to be the first aider for Ladang Viva. Based on the training record, he was trained by the HA of Ladang Rompin (Mr. Vijayan Chinna) on 13/11/2019. Based on interview, the first aider was able to demonstrate satisfactory knowledge on first aiding.</p>	

Criterion / Indicator	Assessment Findings	Compliance	
Criterion 4.4.5: Employment conditions			
4.4.5.1	The management shall establish policy on good social practices regarding human rights in respect of industrial harmony. The policy shall be signed by the top management and effectively communicated to the employees. - Major compliance -	The Social and Human Rights Policy is available in the office notice board signed by Mr. Goh Wei Lei, Executive Chairman dated 02.01.2019. Apart from that, the policy was also communicated to the workers through induction programme.	Yes
4.4.5.2	The management shall not engage in or support discriminatory practices and shall provide equal opportunity and treatment regardless of race, colour, sex, religion, political opinion, nationality, social origin or any other distinguishing characteristics. - Major compliance -	The Social and Human Rights Policy is available in the office notice board signed by Mr. Goh Wei Lei, Executive Chairman dated 02.01.2019. It has been mentioned that the company will not engage in or support discriminatory practices and shall provide equal opportunity and treatment regardless of race, colour, sex, religion, political opinion, nationality, social origin or any other distinguishing characteristics.	Yes
4.4.5.3	Management shall ensure that employees' pay and conditions meet legal or industry minimum standards and as per agreed Collective Agreements. The living wage should be sufficient to meet basic needs and provide some discretionary income based on minimum wage. - Major compliance -	Based on sampled pay slips below, the pay and condition have met the Minimum Wage Order 2018: <ol style="list-style-type: none"> 1) Sunardi 2) Riki Rahadi 3) Abdul Sukur 4) Zulkarnaen 	Yes
4.4.5.4	Management should ensure employees of contractors are paid based on legal or industry minimum standards according to the employment contract agreed between the contractor and his employee.	There is only 1 contractor engaged by Ladang Viva (consists of Viva-Splendid Sdn Bhd and Maxi-Universal Sdn Bhd) i.e. Fatt Kee Biotechnologies to deliver the estate's harvesting and maintenance works. Contract agreement dated 1/1/2019 and will end on	Yes

Criterion / Indicator		Assessment Findings	Compliance
	- Minor compliance -	31/12/2019. Under Clause 3.3 (vi) of the agreement, the contractor is required to comply all the relevant laws. Based on verification of payslip and interview with the workers, it was found that they were paid lawfully.	
4.4.5.5	The management shall establish records that provide an accurate account of all employees (including seasonal workers and subcontracted workers on the premises). The records should contain full names, gender, date of birth, date of entry, a job description, wage and the period of employment. - Major compliance -	Individual personal files were created for all the four workers where documents such as passports & work permits and copy of employment contracts were kept in those files. All of the four workers were recruited on 7/11/2019.	Yes
4.4.5.6	All employees shall be provided with fair contracts that have been signed by both employee and employer. A copy of employment contract is available for each and every employee indicated in the employment records. - Major compliance -	Employment contracts between the workers and the contractor were available and signed by the workers themselves. Content of the contract was found to be complying with the legal requirement.	Yes
4.4.5.7	The management shall establish a time recording system that makes working hours and overtime transparent for both employees and employer. - Major compliance -	At the time of audit, the method of recording the attendance of contractor's workers was by jotting down the working day in a calendar diary. The management can further improve the time recording system that makes working hours and overtime transparent for both employees and employer. (OFI)	Yes
4.4.5.8	The working hours and breaks of each individual employee as indicated in the time records shall comply with legal regulations and collective agreements. Overtime shall be mutually agreed	There has been no overtime work done by the four contractor's workers in November 2019. Nonetheless, the rate of overtime stated	Yes

Criterion / Indicator		Assessment Findings	Compliance
	and shall always be compensated at the rate applicable and shall meet the applicable legal requirement. - Major compliance -	in the employment contract was found to be appropriate according to law.	
4.4.5.9	Wages and overtime payment documented on the pay slips shall be in line with legal regulations and collective agreements. - Major compliance -	Based on verification of payslips, the wage was paid according to the Malaysian Labour Law and employment contract.	Yes
4.4.5.10	Other forms of social benefits should be offered by the employer to employees, their families or the community such as incentives for good work performance, bonus payment, professional development, medical care and health provisions. - Minor compliance -	Employer has provided the free accommodation, electricity & water supply and medical expenses for the workers.	Yes
4.4.5.11	In cases where on-site living quarters are provided, these quarters shall be habitable and have basic amenities and facilities in compliance with the Workers' Minimum Standards Housing and Amenities Act 1990 (Act 446) or any other applicable legislation. - Major compliance -	The workers are provided with free housing and electricity and water supply. The line site inspection was conducted by the Ladang Rompin's HA, Mr. Vijaya Chinna. The weekly inspection reports entitled "Cleanliness & Sanitation Report" were available for verification.	Yes
4.4.5.12	The management shall establish a policy and provide guidelines to prevent all forms of sexual harassment and violence at the workplace. - Major compliance -	Seong Thye Plantations Sdn Bhd has the Social and Human rights Policy, signed by Executive Chairman on 02.01.2019 which mention that they will provide workplace free of violence and sexual harassment whether directly or indirectly against all employees and	Yes

Criterion / Indicator		Assessment Findings	Compliance
		stakeholders. Apart from that there is also a guideline for addressing sexual harassment ver. 1, dated 29/8/2018.	
4.4.5.13	<p>The management shall respect the right of all employees to form or join trade union and allow workers own representative(s) to facilitate collective bargaining in accordance with applicable laws and regulations. Employees shall be given the freedom to join a trade union relevant to the industry or to organize themselves for collective bargaining. Employees shall have the right to organize and negotiate their work conditions. Employees exercising this right should not be discriminated against or suffer repercussions.</p> <p>- Major compliance -</p>	There is no restriction of worker to form any trade union or workers committee but none of them join any union.	Yes
4.4.5.14	<p>Children and young persons shall not be employed or exploited. The minimum age shall comply with local, state and national legislation. Work by children is acceptable on family farms, under adult supervision, and when not interfering with their education programmes. Children shall not exposed to hazardous working conditions.</p> <p>- Major compliance -</p>	Seong Thye Plantations Sdn Bhd has the Social and Human Rights Policy, signed by Executive Chairman on 02.01.2019 which mention that management will prohibit employment by coercion. Children and young persons shall not be employed or exploited, the minimum age shall comply with local, state and national legislation. Based on verification of passport of the workers, there were no children or young persons employed.	Yes
Criterion 4.4.6: Training and competency			
4.4.6.1	All employees, contractors and relevant smallholders are appropriately trained. A training programme (appropriate to the scale of the organization) that includes regular assessment of	The management had planned, established and documented trainings which were to be carried out internally throughout the year 2019. The trainings were on Safety and on SOP such as harvesting, manuring,	Yes

Criterion / Indicator		Assessment Findings	Compliance
	<p>training needs and documentation, including records of training shall be kept.</p> <p>- Major compliance -</p>	<p>spraying, chemical handling, etc. Training records were available for verification.</p>	
4.4.6.2	<p>Training needs of individual employees shall be identified prior to the planning and implementation of the training programmes in order to provide the specific skill and competency required to all employees based on their job description.</p> <p>- Major compliance -</p>	<p>Training identification was done through Training Needs Analysis (TNA) form. From the results of the evaluation, the training programs were generated.</p>	Yes
4.4.6.3	<p>A continuous training programme should be planned and implemented to ensure that all employees are well trained in their job function and responsibility, in accordance to the documented training procedure.</p> <p>- Minor compliance -</p>	<p>Training programme for 2019 was available. Among the trainings to be or have been conducted were:</p> <p>Induction for new workers</p> <ul style="list-style-type: none"> • PPE training • SDS training • SOP – Spraying • SOP – manuring • SOP – harvesting & loading • SOP – Chemical Safety management • SOP – roads • SOP – general works (to be conducted in Dec 2019) • SOP – PPE storage and shower room • SOP – handling and storage of working tools • Emergency response • First aider • Firefighting equipment 	Yes
<p>4.5 Principle 5: Environment, natural resources, biodiversity and ecosystem services</p>			

Criterion / Indicator	Assessment Findings	Compliance	
Criterion 4.5.1: Environmental Management Plan			
4.5.1.1	An environmental policy and management plan in compliance with the relevant country and state environmental laws shall be developed, effectively communicated and implemented. - Major compliance -	Seong Thye Plantations Sdn Bhd had established and documented an Environmental Policy dated 02.10.2019 signed by Executive Chairman (Mr. Goh Wei Lei). The policy was available both English and Bahasa Malaysia. The policy ensures commitment to comply with legal requirements, pollution reduction and continuous improvement. Communications to the employees were through training sessions and briefings at muster grounds. It was also communicated to internal and external stakeholders via <ul style="list-style-type: none"> - Stakeholder meetings 18/9/2019 - displayed at notice boards at muster ground - quarterly JKKP meetings 	Yes
4.5.1.2	The environmental management plan shall cover the following: a) An environmental policy and objectives; b) The aspects and impacts analysis of all operations. - Major compliance -	Ladang Viva had established its environmental aspects/impacts register associated with their activities. The environmental aspect and impact (EAI) covered estate operations, all activities from harvesting, manuring, weeding, nursery, pest and disease, upkeep programs until delivery to mill has been identified. The aspects and impacts evaluation were guided by "MSP0 Procedure: Environmental Management Plan (EMP)", rev. 0, dated 2/1/2019. The procedure used to do the EAI Assessment	Yes
4.5.1.3	An environmental improvement plan to mitigate the negative impacts and to promote the positive ones, shall be developed, effectively implemented and monitored.	The estate has implemented its environmental action plans, which was developed to mitigate negative impacts and improve positive impacts. The plans specify the responsible persons. Mitigation measures were derived from the Environmental Aspect Impact Assessment, dated	Yes

Criterion / Indicator		Assessment Findings	Compliance
	- Major compliance -	1/4/2019. The plans generally included the control and monitoring of wastes such as domestic wastes, scrap iron, used polybags & fertiliser bags.	
4.5.1.4	A programme to promote the positive impacts should be included in the continual improvement plan. - Minor compliance -	Programmes to promote positive impacts had been included in the continual improvement plan. Among the positive impacts identified were EFB mulching, cover crop planting in hilly area and planting of beneficial plants.	Yes
4.5.1.5	An awareness and training programme shall be established and implemented to ensure that all employees understand the policy and objectives of the environmental management and improvement plans and are working towards achieving the objectives. - Major compliance -	The awareness and training programme was conducted during workers induction. Based on interview, generally the workers understand the policy and objectives of the environmental management and improvement plans.	Yes
4.5.1.6	Management shall organize regular meetings with employees where their concerns about environmental quality are discussed. - Major compliance -	Regular meetings were conducted during muster call.	Yes
Criterion 4.5.2: Efficiency of energy use and use of renewable energy			
4.5.2.1	Consumption of non-renewable energy shall be optimized and closely monitored by establishing baseline values and trends shall be observed within an appropriate timeframe. There should be a plan to assess the usage of non-renewable energy including fossil fuel, electricity and energy efficiency in the operations over the base period.	Baseline consumption of non-renewable energy (diesel) is derived from 2019 actual consumption i.e. 340 lt. The main consumption of diesel is for transportation of workers, fertilisers and agrochemicals using light vehicle.	Yes

Criterion / Indicator		Assessment Findings	Compliance
	- Major compliance -		
4.5.2.2	The oil palm premises shall estimate the direct usage of non-renewable energy for their operations, including fossil fuel, and electricity to determine energy efficiency of their operations. This shall include fuel use by contractors, including all transport and machinery operations. - Major compliance -	Estimation of diesel has been established for the following 2 years based on consumption in 2019. The trend observed to be downward.	Yes
4.5.2.3	The use of renewable energy should be applied where possible. - Minor compliance -	No possible area was identified to be suitable for renewable energy.	Yes
Criterion 4.5.3: Waste management and disposal			
4.5.3.1	All waste products and sources of pollution shall be identified and documented. - Major compliance -	Wastes products and sources of pollution were identified and documented in the Environmental Aspect Impact Assessment, dated 1/4/2019.	Yes
4.5.3.2	A waste management plan to avoid or reduce pollution shall be developed and implemented. The waste management plan should include measures for: a) Identifying and monitoring sources of waste and pollution b) Improving the efficiency of resource utilization and recycling of potential wastes as nutrients or converting them into value-added by-products - Major compliance -	Waste management plan is incorporated with its Environmental Aspect Impact Assessment.	Yes

Criterion / Indicator		Assessment Findings	Compliance
4.5.3.3	<p>The management shall establish Standard Operating Procedure for handling of used chemicals that are classified under Environment Quality Regulations (Scheduled Waste) 2005, Environmental Quality Act, 1974 to ensure proper and safe handling, storage and disposal.</p> <p>- Major compliance -</p>	<p>Seong Thye has a Standard Operating Procedure for handling of used chemicals that are classified under Environment Quality Regulations (Scheduled Waste) 2005, Environmental Quality Act, 1974 to ensure proper and safe handling, storage and disposal had been addressed in the <i>Prosedur Stor Penyimpanan Barang Terjadual</i>. Nonetheless, Ladang Viva has no significant amount of scheduled wastes generated by its operation.</p>	Yes
4.5.3.4	<p>Empty pesticide containers shall be punctured and disposed in an environmentally and socially responsible way, such that there is no risk of contamination of water sources or to human health. The disposal instructions on manufacturer's labels should be adhered to. Reference should be made to the national programme on recycling of used HDPE pesticide containers.</p> <p>- Major compliance -</p>	<p>Empty pesticide containers were disposed in an environmentally and socially responsible way, such that there is no risk of contamination of water sources or to human health. As for the current practice, a contractor was assigned to carry out the premixing of chemicals at his own premise outside Ladang Viva and bring the pre-mixed chemical to Ladang Viva. The empty chemical containers were also kept by the contractor at his own promise.</p>	Yes
4.5.3.5	<p>Domestic waste should be disposed as such to minimize the risk of contamination of the environment and watercourses.</p> <p>- Minor compliance -</p>	<p>Since Ladang Viva is only populated by 4 workers, the small amount of domestic wastes are usually brought to the nearest town (Mersing) collection bin which managed by the local council.</p>	Yes
Criterion 4.5.4: Reduction of pollution and emission			
4.5.4.1	<p>An assessment of all polluting activities shall be conducted, including greenhouse gas emissions, scheduled wastes, solid wastes and effluent.</p> <p>- Major compliance -</p>	<p>An assessment of all polluting activities has been conducted through environmental impact assessment. These assessment has also included greenhouse gas emissions, scheduled wastes and solid wastes.</p>	Yes

Criterion / Indicator		Assessment Findings	Compliance
4.5.4.2	An action plan to reduce identified significant pollutants and emissions shall be established and implemented. - Major compliance -	The “Environmental Aspect & Impact Assessment Identification” had included plans to reduce identified significant pollutants and emissions.	Yes
Criterion 4.5.5: Natural water resources			
4.5.5.1	The management shall establish a water management plan to maintain the quality and availability of natural water resources (surface and ground water). The water management plan may include: a. Assessment of water usage and sources of supply. b. Monitoring of outgoing water which may have negative impacts into the natural waterways at a frequency that reflects the estate’s current activities. c. Ways to optimize water and nutrient usage to reduce wastage (e.g. having in place systems for re-use, night application, maintenance of equipment to reduce leakage, collection of rainwater, etc.). d. Protection of water courses and wetlands, including maintaining and restoring appropriate riparian buffer zones at or before planting or replanting, along all natural waterways within the estate. e. Where natural vegetation in riparian areas has been removed, a plan with a timetable for restoration shall be established and implemented. f. Where bore well is being use for water supply, the level of	There is no river crossing Ladang Viva. Water supply to the estate is obtained from the government utility service (Syarikat Air Johor). Nonetheless, rain water harvesting methods such as having water conservation pits and terraces and surface run water from roads directed to into road side silt pits & field were implemented.	Yes

Criterion / Indicator		Assessment Findings	Compliance
	<p>the ground water table should be measured at least annually.</p> <p>- Major compliance -</p>		
4.5.5.2	<p>No construction of bunds, weirs and dams across main rivers or waterways passing through an estate.</p> <p>- Minor compliance -</p>	There is no river crossing Ladang Viva.	Yes
4.5.5.3	<p>Water harvesting practices should be implemented (e.g. water from road-side drains can be directed and stored in conservation terraces and various natural receptacles).</p> <p>- Minor compliance -</p>	The estate had implemented water harvesting practices like having water conservation pits and terraces and surface run water from roads directed to into road side silt pits & field.	Yes
Criterion 4.5.6: Status of rare, threatened, or endangered species and high biodiversity value			
4.5.6.1	<p>Information shall be collated that includes both the planted area itself and relevant wider landscape-level considerations (such as wildlife corridors). This information should cover:</p> <p>a) Identification of high biodiversity value habitats, such as rare and threatened ecosystems, that could be significantly affected by the grower(s) activities.</p> <p>b) Conservation status (e.g. The International Union on Conservation of Nature and Natural Resources (IUCN) status on legal protection, population status and habitat requirements of rare, threatened, or endangered species), that could be significantly affected by the grower(s) activities.</p> <p>- Major compliance -</p>	Ladang Viva had identified and collated information of high biodiversity value (HBV) ecosystems and on rare, threatened, or endangered (RTE) species guided by MSPO Procedure (MSPO-P5-C6 – Guidance on Biodiversity & Hunting) dated 1.01.2019. The estate has obtained list of Totally Protected Species (Mammals) under Wildlife Conservation Act, 2010 from the Department of Wildlife and National Parks (DWNP) (PERHILITAN). Based on this lists there were no RTE species at the estate.	Yes

Criterion / Indicator		Assessment Findings	Compliance
4.5.6.2	<p>If rare, threatened or endangered species, or high biodiversity value, are present, appropriate measures for management planning and operations should include:</p> <p>a) Ensuring that any legal requirements relating to the protection of the species are met.</p> <p>b) Discouraging any illegal or inappropriate hunting, fishing or collecting activities; and developing responsible measures to resolve human-wildlife conflicts.</p> <p>- Major compliance -</p>	<p>Not applicable, as based on the Identification and Information Collated by En. Raja Mohd Saifuldin, there were no RTE species and HCV ecosystem in Ladang Viva.</p> <p>Nonetheless, signage prohibiting hunting had been put up at the estate's boundary with adjacent forest reserve.</p>	Yes
4.5.6.3	<p>A management plan to comply with Indicator 1 shall be established and effectively implemented, if required.</p> <p>- Major compliance -</p>	<p>Based on the Identification and Information Collated, there were no HBV or RTE species in the estate. Nonetheless, the estate continue to monitor and create awareness among the employees about HBV.</p>	Yes
Criterion 4.5.7: Zero burning practices			
4.5.7.1	<p>Use of fire for waste disposal and for preparing land for oil palm cultivation or replanting shall be avoided except in specific situations, as identified in regional best practice.</p> <p>- Major compliance -</p>	<p>Seong Thye Plantations Sdn Bhd had a Zero Burning Policy addressed in their Environmental Policy dated 02.01.2019 and signed by the Executive Chairman Mr Goh Wei Lei.</p>	Yes
4.5.7.2	<p>A special approval from the relevant authorities shall be sought in areas where the previous crop is highly diseased and where there is a significant risk of disease spread or continuation into the next crop.</p> <p>- Major compliance -</p>	<p>Not applicable as there was no previous crop that was highly diseased and where there was a significant risk of disease spread or continuation into the next crop.</p>	Yes

Criterion / Indicator		Assessment Findings	Compliance
4.5.7.3	Where controlled burning is allowed, it shall be carried out as prescribed by the Environmental Quality (Declared Activities) (Open Burning) Order 2003 or other applicable laws. - Major compliance -	Not applicable as there was no controlled burning required by the estate.	Yes
4.5.7.4	Previous crops should be felled or mowed down, chipped and shredded, windrowed or pulverized or ploughed and mulched. - Minor compliance -	Based on field visit, the trace of previous palms had been felled, chipped, windrowed and left to decompose can still be seen.	Yes
4.6 Principle 6: Best Practices			
Criterion 4.6.1: Site Management			
4.6.1.1	Standard operating procedures shall be appropriately documented and consistently implemented and monitored. - Major compliance -	Seong Thye Plantations Sdn Bhd had established and documented Standard operating procedures. It was addressed in manual "Guidelines on Good Agriculture Practices" dated 01.01.2019. Topics covered in the manual were chapters: <ul style="list-style-type: none"> • A – Introduction to good agriculture practices • B – Replanting • C – Manuring • D – Harvesting • E - P & D • F – Others – establishment and management of riparian zone The procedures were monitored by program sheets, harvesting round records, production records, stock sheets, monthly progress reports,	Yes

Criterion / Indicator		Assessment Findings	Compliance
		<p>etc. Implementation was monitored by visits by COO, other HQ visiting executives and Estate Advisor.</p> <p>Standard operating procedures for safety was addressed in the Sin Thye Management Sdn Bhd's, "Manual Keselamatan & Kesihatan Pekerja", dated 1/1/2019.</p>	
4.6.1.2	<p>Where oil palm is grown within permitted levels on sloping land, appropriate soil conservation measures shall be implemented to prevent both soil erosion as well as siltation of drains and waterways. Measures shall be put in place to prevent contamination of surface and groundwater through runoff of either soil, nutrients or chemicals.</p> <p>- Major compliance -</p>	<p>The management for areas where oil palm was grown within permitted levels on sloping land, had established and documented. Appropriate soil conservation measures to be implemented to prevent both soil erosion as well as siltation of drains and waterways was addressed under Chapter B – Replanting in the manual "Guidelines on Good Agriculture Practices" dated 01.01.2019.</p> <p>It was mainly addressed under the topic 'Terrace and Platform Construction, Road Construction and Drainage.</p> <p>During the visit it was observed that the estate practiced ground cover management, that is, maintenance of the fern <i>Nephrolepis biserrata</i> and soft grasses in the interline, biomass recycling and planting of <i>Mucuna Bracteata</i>.</p>	Yes
4.6.1.3	<p>A visual identification or reference system shall be established for each field.</p> <p>- Major compliance -</p>	<p>The management treats Ladang Viva as one individual block/field. Estate map is available for verification.</p>	Yes
<p>Criterion 4.6.2: Economic and financial viability plan</p>			

Criterion / Indicator		Assessment Findings	Compliance
4.6.2.1	<p>A documented business or management plan shall be established to demonstrate attention to economic and financial viability through long-term management planning.</p> <p>- Major compliance -</p>	<p>Documented Business plan/budget were available on both Estates for 2019 and projections until 2024. Attention was given to crop projection, cost of production, cost per ton and per hectare. The cost of production was reviewed and compared against expenditure each year with projections in place for future years.</p>	Yes
4.6.2.2	<p>Where applicable, an annual replanting programme shall be established. Long term replanting programme should be established and review annually, where applicable every 3-5 years.</p> <p>- Major compliance -</p>	<p>Not applicable as oil palms were just replanted in 2016.</p>	NA
4.6.2.3	<p>The business or management plan may contain:</p> <ul style="list-style-type: none"> a) Attention to quality of planting materials and FFB b) Crop projection: site yield potential, age profile, FFB yield trends c) Cost of production : cost per tonne of FFB d) Price forecast e) e) Financial indicators : cost benefit, discounted cash flow, return on investment <p>- Major compliance -</p>	<p>Documented Business plan/budget were available for 2019 and projections until 2024. Attention was given to crop projection, cost of production, cost per ton and per hectare. The cost of production was reviewed and compared against expenditure each year with projections in place for future years.</p>	Yes
4.6.2.4	<p>The management plan shall be effectively implemented and the achievement of the goals and objectives shall be regularly monitored, periodically reviewed and documented.</p>	<p>Implementation of the management plan was regularly monitored via Monthly Progress and Production Reports and visits by COO & other HQ visiting executives and Estate Advisor.</p>	Yes

Criterion / Indicator		Assessment Findings	Compliance
	- Major compliance -	The business plan was reviewed by management team at least annually.	
Criterion 4.6.3: Transparent and fair price dealing			
4.6.3.1	Pricing mechanisms for the products and other services shall be documented and effectively implemented. - Major compliance -	Addressed in the contract agreement between Ladang Viva and Fatt Kee. Based on long time business relationship.	Yes
4.6.3.2	All contracts shall be fair, legal and transparent and agreed payments shall be made in timely manner. - Major compliance -	Based on interview, payment was made on timely manner.	Yes
Criterion 4.6.4: Contractor			
4.6.4.1	Where contractors are engaged, they shall understand the MSPO requirements and shall provide the required documentation and information. - Major compliance -	Understanding on MSPO requirements was provided by the company to the contractor through regular meetings and trainings.	Yes
4.6.4.2	The management shall provide evidence of agreed contracts with the contractor. - Major compliance -	Agreed contract was available for verification.	Yes
4.6.4.3	The management shall accept MSPO approved auditors to verify assessments through a physical inspection if required. - Minor compliance -	There is no objection by the management to accept MSPO approved auditors to verify the assessments through a physical inspection, if required.	Yes

Criterion / Indicator		Assessment Findings	Compliance
4.6.4.4	<p>The management shall be responsible for the observance of the control points applicable to the tasks performed by the contractor, by checking and signing the assessment of the contractor for each task and season contracted.</p> <p>- Major compliance -</p>	<p>Ladang Viva Estate Advisor receives the invoice from the contractor detailing the jobs have been delivered for the month. The Estate Advisor will then endorse the invoice indicating the jobs were satisfactorily delivered and fit for payment. Payment is done by HQ in Singapore. E.g. invoice verified: #1774 dated 3/12/2019.</p>	Yes
4.7 Principle 7: Development of new planting			
Criterion 4.7.1: High biodiversity value			
4.7.1.1	<p>Oil palm shall not be planted on land with high biodiversity value unless it is carried out in compliance with the National and/or State Biodiversity Legislation.</p> <p>- Major compliance -</p>	<p>There is no development of new planting in Ladang Viva.</p>	Yes
4.7.1.2	<p>No conversion of Environmentally Sensitive Areas (ESAs) to oil palm as required under Peninsular Malaysia's National Physical Plan (NPP) and the Sabah Forest Management Unit under the Sabah Forest Management License Agreement. For Sabah and Sarawak, new planting or replanting of an area 500ha or more requires an EIA. For areas below 500ha but above 100ha, a Proposal for Mitigation Measures (PMM) is required.</p> <p>- Major compliance -</p>	<p>There is no development of new planting in Ladang Viva.</p>	Yes
Criterion 4.7.2: Peat Land			

Criterion / Indicator		Assessment Findings	Compliance
4.7.2.1	New planting and replanting may be developed and implemented on peat land as per MPOB guidelines on peat land development or industry best practice. - Major compliance -	There is no development of new planting in Ladang Viva.	Yes
Criterion 4.7.3: Social and Environmental Impact Assessment (SEIA)			
4.7.3.1	A comprehensive and participatory social and environmental impact assessment shall be conducted prior to establishing new plantings or operations. - Major compliance -	There is no development of new planting in Ladang Viva.	NA
4.7.3.2	SEIAs shall include previous land use or history and involve independent consultation as per national and state regulations, via participatory methodology which includes external stakeholders. - Major compliance -	There is no development of new planting in Ladang Viva.	NA
4.7.3.3	The results of the SEIA shall be incorporated into an appropriate management plan and operational procedures developed, implemented, monitored and reviewed. - Major compliance -	There is no development of new planting in Ladang Viva.	NA
4.7.3.4	Where the development includes smallholder schemes of above 500ha in total or small estates, the impacts and implications of how each scheme or small estate is to be managed should be	There is no development of new planting in Ladang Viva.	NA

Criterion / Indicator		Assessment Findings	Compliance
	documented and a plan to manage the impacts developed, implemented, monitored and reviewed. - Minor compliance -		
Criterion 4.7.4: Soil and topographic information			
4.7.4.1	Information on soil types shall be adequate to establish the long-term suitability of the land for oil palm cultivation. - Major compliance -	There is no development of new planting in Ladang Viva.	NA
4.7.4.2	Topographic information shall be adequate to guide the planning of planting programmes, drainage and irrigation systems, roads and other infrastructure. - Major compliance -	There is no development of new planting in Ladang Viva.	NA
Criterion 4.7.5: Planting on steep terrain, marginal and fragile soils			
4.7.5.1	Extensive planting on steep terrain, marginal and fragile soils shall be avoided unless permitted by local, state and national laws. - Major compliance -	There is no development of new planting in Ladang Viva.	NA
4.7.5.2	Where planting on fragile and marginal soils is proposed, plans shall be developed and implemented to protect them and to minimize adverse impacts (e.g. hydrological) or significantly increased risks (e.g. fire risk) in areas outside the plantation.	There is no development of new planting in Ladang Viva.	NA


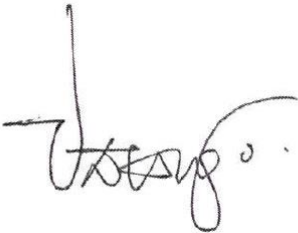
Criterion / Indicator		Assessment Findings	Compliance
	- Major compliance -		
4.7.5.3	Marginal and fragile soils, including excessive gradients and peat soils, shall be identified prior to conversion. - Major compliance -	There is no development of new planting in Ladang Viva.	NA
Criterion 4.7.6: Customary land			
4.7.6.1	No new plantings are established on recognised customary land without the owners' free, prior and informed consent, dealt with through a documented system that enables indigenous peoples, local communities and other stakeholders to express their views through their own representative institutions. - Major compliance -	There is no development of new planting in Ladang Viva.	NA
4.7.6.2	Where new plantings on recognised customary lands are acceptable, management plans and operations should maintain sacred sites. - Minor compliance -	There is no development of new planting in Ladang Viva.	NA
4.7.6.3	Where recognized customary or legally owned lands have been taken-over, the documentary proof of the transfer of rights and of payment or provision of agreed compensation shall be made available. - Major compliance -	There is no development of new planting in Ladang Viva.	NA

Criterion / Indicator		Assessment Findings	Compliance
4.7.6.4	The owner of recognised customary land shall be compensated for any agreed land acquisitions and relinquishment of rights, subject to their free prior informed consent and negotiated agreement. - Major compliance -	There is no development of new planting in Ladang Viva.	NA
4.7.6.5	Identification and assessment of legal and recognised customary rights shall be documented. - Major compliance -	There is no development of new planting in Ladang Viva.	NA
4.7.6.6	A system for identifying people entitled to compensation and for calculating and distributing fair compensation shall be established and implemented. - Major compliance -	There is no development of new planting in Ladang Viva.	NA
4.7.6.7	The process and outcome of any compensation claims shall be documented and made publicly available. - Major compliance -	There is no development of new planting in Ladang Viva.	NA
4.7.6.8	Communities that have lost access and rights to land for plantation expansion should be given opportunities to benefit from the plantation development. - Minor compliance -	There is no development of new planting in Ladang Viva.	NA

MS 2530-4:2013 Malaysian Sustainable Palm Oil (MSPO) Part 4: General principles for Palm Oil Mill.

NA

4.0 Assessment Conclusion and Recommendation:

Acknowledgement of Internal Responsibility and Formal Sign-off of Assessment Findings	
Based on the findings during the assessment, Seong Thye Plantations Sdn Bhd – Ladang Viva complies with the MS 2530-3:2013. It is recommended that the extension of scope certification of Seong Thye Plantations Sdn Bhd to be approved.	
Acknowledgement of Assessment Findings	Report Prepared by
Name:	Name: Valence Shem
Company name: SEONG THYE PLANTATIONS SDN. BHD. (3865-A)	Company name: BSI Services Malaysia Sdn Bhd
Title:	Title: Lead Auditor
Signature:  NG YEEN CHERN Chief Operating Officer	Signature: 
Date: 07/01/2020	Date: 24/12/2019

Appendix A: Assessment Plan

Date	Time	Subjects	VSH
Thursday 12/12/2019	0845-0900	Opening meeting: <ul style="list-style-type: none"> Opening presentation by audit team leader Confirmation of assessment scope and finalize audit plan (including stakeholder’s consultation) 	✓
	0900-1230	<u>Ladang Viva Estate</u> Field visit, boundary inspection, field operations, staff & workers interview, buffer zone, HCV area, IPM implementation, OSH & ERP, workshop, storage area (agrochemical, fertilizer, lubricant etc.), agrochemical mixing area, Scheduled wastes management, worker housing, clinic, Landfill, etc.	✓
	1030-1230	<u>Stakeholder consultations:</u> Consultation with stakeholders such as government agencies/enforcers, NGO, contractors, suppliers, surrounding communities (e.g. neighbouring estates, smallholders, villages, workers representative, etc.), etc.	✓
	1230-1330	Lunch break	
	1330-1630	<u>Ladang Viva Estate</u> Document review P1 – P7 (MSPO Part 3): General Documentation e.g. Legal, Manual and Procedure, production & monitoring records, IPM & HCV records, SEIA documents & records, OSH records, review pay documents, records of communication with stakeholder/workers representatives, new planting, CIP and implementation etc.	✓
	1630-1700	Interim closing briefing	✓
Friday 13/12/2019	0900-1230	<u>Ladang Viva Estate</u> Document review P1 – P7 (MSPO Part 3): General Documentation e.g. Legal, Manual and Procedure, production & monitoring records, IPM & HCV records, SEIA documents & records, OSH records, review pay documents, records of communication with stakeholder/workers representatives, new planting, CIP and implementation etc.	✓
	1230-1330	Lunch break	
	1330-1530	<u>Ladang Viva Estate</u> Document review P1 – P7 (MSPO Part 3): General Documentation e.g. Legal, Manual and Procedure, production & monitoring records, IPM & HCV records, SEIA documents & records, OSH records, review pay documents, records of communication with stakeholder/workers representatives, new planting, CIP and implementation etc.	✓
	1530-1630	Preparation for closing meeting	✓
	1630-1700	Closing meeting	✓

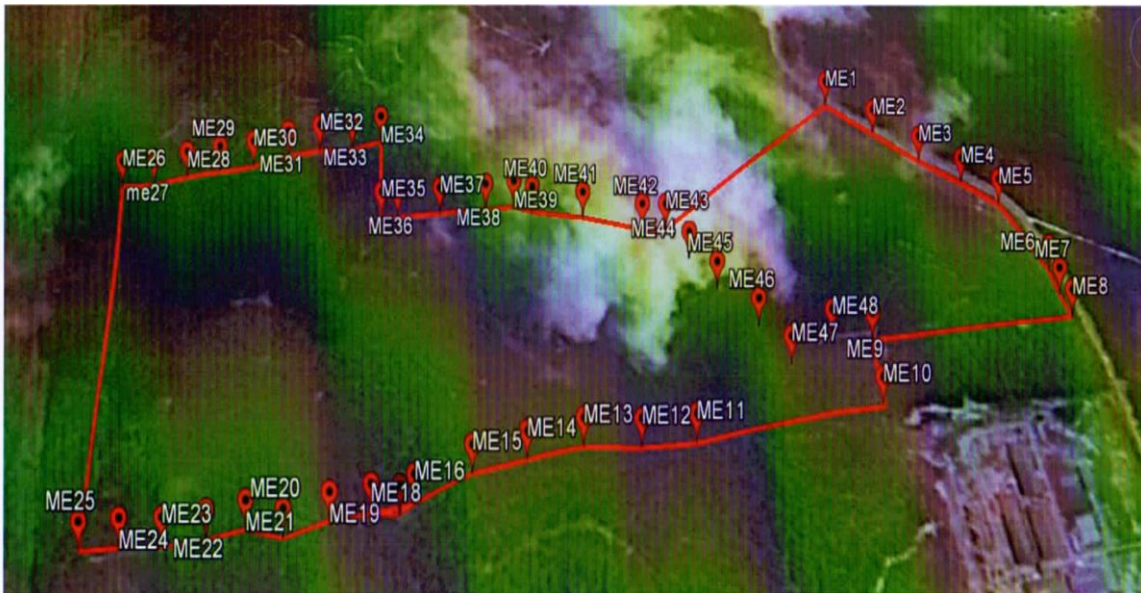
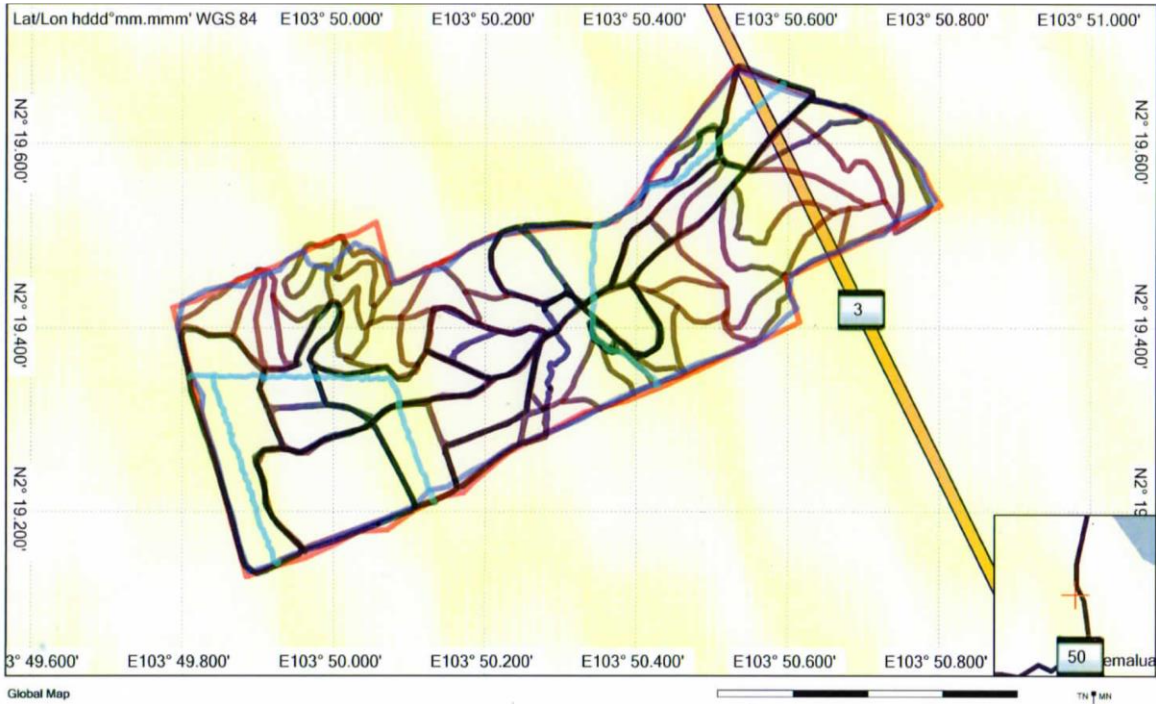
Appendix B: List of Stakeholders Contacted

List of Stakeholders Contacted	
<p>Internal Stakeholders</p> <p>Workers of contractor</p>	<p>Union/Contractors/Local Communities</p> <p>Contractor Neighbouring estate Institut Latihan Perindustrian, Mersing FFB Dealer</p>
<p>Government Departments</p> <p>Nil</p>	<p>NGO</p> <p>Nil</p>

Appendix C: Smallholder Member Details

N/A

Appendix D: Location Map of Ladang Viva



Appendix E: List of Abbreviations

AN	Ammoniacal Nitrogen
BOD	Biological Oxygen Demand
CHRA	Chemical Health Risk Assessment
CPO	Crude Palm Oil
DOSH	Department of Occupational Safety & Health
EFB	Empty Fruit Bunch
EMS	Environmental Management System
FFB	Fresh Fruit Bunch
GMP	Good Manufacturing Practice
HCV	High Conservation Value
IAV	Initial Assessment Visit
IPM	Integrated Pest Management
ISCC	International Sustainable Carbon Certification
MSDS	Material Safety Data Sheet
MSPO	Malaysian Sustainable Palm Oil
O&G	Oil and Grease
PK	Palm Kernel
PPE	Personal Protective Equipment
PSQM	Plantation Sustainability and Quality Management
PQR	Performance Quality Rating
RC	Re-Certification
RED	Renewable Energy Directive
SEIA	Social & Environmental Impact Assessment
SIA	Social Impact Assessment
SOP	Standard Operating Procedure
SOU	Strategic Operating Unit
SS	Suspended Solids
TN	Total Nitrogen
TS	Total Solids
VFA	Volatile Fatty Acids